(d) the details of the study made in that regard and the drilling programme proposed by Government off the Godavari Krishna basin;

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) Yes, Sir. The drilling activities have been undertaken in three prospects in deep water areas of K.G. basin at an estimated cost of Rs. 90.70 crorcs. Two exploratory wells have been drilled out of which one has been found to be hydrocarbon bearing. The third well is under drilling.

(c) The commercial viability of the prospect would be assessed depending on its size, established reserves, rate of return etc.

(d) Based on interpretation of 2D & 3D seismic data, two more locations have been identified for drilling and one location is under drilling.

Government of India has offered *5* deep water blocks falling in K.G. Basin for exploration under New Exploration Licensing Policy.

Case on Diesel

1047. SHRI Y. LAKSHMl PRASAD:
SHRI K.M. SAIFULLAH:
SHRI YERRA NARAYANASWAMY:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government proposed to impose Rupee one cess on diesel to fund highway project;

(b) if so, the details thereof; and

(c) if not, how will resources be found for financing 7200 km. highway project?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) to (c) In the Union Budget 1999-2000, an additional duty of Re. 1/litre on imported and domestic HSD has been imposed w.e.f. the midnight of 27th/28th February, 1999. It has been proposed to allocate half of the duty to support the initiatives in rural development and social sectors. The other portion of 50 paise of this duty as also the duty of Re. 1 per litre leived with effect from 2.6.1998 will be converted into a statutory cess and transferred to the Central Road Fund. 30% of the Fund will be transferred to the State Governments for development and maintenance of State Roads. The balance amount will be utilised for development and maintenance of National highways and express-ways and by the Ministry of Railways for construction of Railways over-bridges and Railways safety works at unmanned Railways crossings.

Oil Expolratiori West Bengal

1048. SHRI DIPANKAR MUKHERJEE:
SHRIMATI CHANDRAKAL PANDEY:

Will the Minister of PETROLEUM[1] AND NATURAL GAS be pleased to state:

(a) whether Government's attention has been drawn to the news item "Package for Bengal announced" appearing in Business Standard, Calcutta dated 11th Febrary, 1999 regarding oil exploration work in eight fields in West Bengal.

(b) if so, the location of the fields identified in West Bengal;

(c) whether exploration work would start by 10th May in all the fields simultaneously; if so, the details of the mobilisation work undertaken so far by ONGC; and

(d) the estimated completion period for test drilling and production testing in each field?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a)

and (d) Information is being collected and will be laid on the table of the House.

(b) and (c) 2 onland exploration blocks in the State'of West Bengal, one in North and the other in the Southern part, and 3 offshore exploration blocks located in the North-East Coast region of Bay of Bengal have been put on offer under the New Exploration Licensing Policy. The last date for submission of bids is 18.5.99.

In addition, 1 CBM exploration blocks in the North Raniganj region of the State has been approved for grant of PEL by the State Government.

रसोई गैस के मूल्य के संबंध में निर्णय

1049.**श्रीमती सरोज दुबे**: क्या पेट्रोलियम और प्राकृतिक गैस मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या सरकार को इस बात की जानकारी है कि रसोई गैस के दाम बढ़ाने से समूचे देश की गृहणियों की परेशानी और बढ़ गई हैं;

(ख) यदि हां,तो क्या सरकार रसोई गैस के दाम घटाने पर विचार कर रही हैं ;

(ग) यदि हां,तो तत्संबंधी ब्यौरा क्या हैं,और

(घ) यदि नहीं,तो उसके क्या कारण हैं?

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री (श्री संतोष कुमार गंगवार): (क) से (घ) वर्ष 1999-2000 के केन्द्रीय बजट में शुल्कों के विषय में किए गए संशोधन के परिणामस्वरूप एल पी जी (डिब्बा बंद घरेलू) के मूल्य में कमी कर दी गई है और यह संशोधन 27/28 फरवरी,1999 की मध्यरात्रि से प्रभावी हैं।

Private Companies in Oil Exploration

1050. DR. ALLADI P. RAJKUMAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the number of private Indian and Foreign companies that offered new oil exploration; and

(b) the terms and conditions thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) Under the NELP, 48 exploration blocks have been offered for bidding to both private sector and public sector companies on terms that provide a level playing field to investors;

The last date for submission of bids is 18th May, 1999.

(b) The terms and conditions of NELP are as under:

(i) The successful bidder would be required to enter into a Production Sharing Contract (PSC), which will be Negotiated based on the model Production Sharing Contract.
(ii) The possibility of the seismic option in the first phase of the exploration period.
(iii) There will be no minimum expenditure commitment during the exploration period.
(iv) No signature, discovery or production bonus.
(v) No mandatory state participation.
(vi) No carried interest by National Oil Companies.
(vii) Income Tax Holiday for seven years from start of commercial production.
(viii) No customs duty on imports required for petroleum operations.
(ix) Biddable cost recovery limit upto 100%.
(x) Option to amortise exploration and drilling expenditures over a period of 10 years from first commercial production.
(xi) Sharing of profit petroleum based on pre-tax investment multiple achieved by the contractor & is biddable.
(xii) Royalty for onland is payable at the rate of 12.5% for crude oil and 10% for natural gas. For